The multidimensionality of democracy: Institutional patterns and democratic quality: Lijphart's democratic quality thesis revisited

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The Multidimensionality of Democracy: Institutional Patterns and Democratic Quality

Lijphart's Democratic Quality Thesis Revisited

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Abstract

In his seminal work *Patterns of Democracy*, Arend Lijphart shows that, among other factors, power sharing enhances the quality of democracy. Lijphart's analysis, however, suffers from a rather unsystematic and arbitrary choice of measures of democratic quality and from an implicit treatment of consensus democracy as a one-dimensional concept. Our reanalysis aims at correcting for both. We make use of two new and unique datasets, the Democracy Barometer (DB) and the Consensus Democracy Indicators. Our results suggest that Lijphart is right, yet only in principle. Indeed, overall democratic quality seems to profit from power sharing. However, our findings lead to two important refinements of Lijphart's democratic quality thesis. First, power sharing does not foster every aspect of the quality of democracy and, even worse, brings about low transparency. Second, the combination of consensus and majoritarian traits appears to matter. In particular, consensus-unitary democracies fare best – particularly if accompanied by consensual traits on the third consensus dimension that was not originally contemplated by Lijphart – and notably better than pure consensus democracies.

KEY WORDS • consensus democracy • majoritarian democracy • quality of democracy • consociational democracy

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INTRODUCTION

Almost three decades have passed since Arend Lijphart introduced his famous differentiation between consensus and majoritarian democracy (Lijphart, 1984). It is widely perceived as ground-breaking. Mainwaring (2001), for instance, declares it the most influential and prominent typology of modern democracies, and Taagepera (2003) describes Lijphart's work as a standard for work to come. Its enormous impact within – and beyond – political science is not least reflected by the mass of follow-up studies it has produced (e.g. Freitag, 1999; Vatter, 2000; Jung, 2001; Armingeon, 2002; Ganghof, 2005; Roberts, 2006; Vatter, 2007; Freitag & Vatter, 2008; Vatter, 2009; Vatter & Bernauer, 2009).

Lijphart, however, has not restricted himself to distinguishing consensus from majoritarian democracies. In his seminal 1999 piece *Patterns of Democracy*, he further assesses the empirical performance of the different types of democracies. In particular, Lijphart employs regression analyses to demonstrate that consensus democracies outperform their majoritarian counterparts in both the quality of democracy and some aspects of macro-economic management and public policy. Thus, Lijphart concludes that consensus democracies are not only no worse than majoritarian ones but are "better, kinder and gentler" forms of ruling.

Despite or maybe because of its prominence, Lijphart's work has been widely criticized. Most of the critics focus either on the typology itself or on Lijphart's analysis of the effects of consensual traits on macro-economic and socio-cultural performance (for an excellent review, cf. Bormann, 2010). In our contribution, we intend to reinvestigate an aspect of Lijphart's work that, arguably, did not catch the attention it deserves: the claim that consensus democracy is associated with a higher quality of democracy. There are at least three good reasons to revisit Lijphart's democratic quality thesis. First, though Lijphart (1999, p. 276ff) employs various indicators of the quality of democracy, such as voter turnout, government-voter proximity, and women's representation in parliament, his choice of measures of democratic quality, all in all, appears rather unsystematic and arbitrary. An assessment of democratic quality requires a more systematic deduction of its central elements. Furthermore, the two indices of democratic quality that Lijphart employs coming closest to this requirement – the Polyarchy and Vanhanen indices – are widely criticized for being too minimalistic to capture the subtle differences regarding the quality of democracy in established democracies (Munck & Verkuilen, 2002). Democracy is a complex phenomenon and a minimalist measurement cannot do it justice (Lauth, 2004). Testing the democratic quality thesis calls for a better measure of democratic quality. Hence, we make use of the Democracy Barometer (DB), a recently introduced instrument promising a more accurate measure of the quality of democracy in established democratic regimes (Bühlmann et al., 2011a, 2011b, 2011c). Based on a strict theoretical deduction of the fundamental elements of representative democracy, the DB allows for an assessment of the fine differences that exist between established democracies. Its multidimensional conception enables, in particular, an analysis of the association of consensual traits not only with overall democratic quality but also with its various elements.

A second reason for reconsidering the democratic quality thesis is Lijphart's implicit treatment of consensus democracy as a one-dimensional concept when assessing

the performance of the different types of democracies (Roller, 2005; Schmidt, 2010). A close reading of his 1999 book leads to the conclusion that it is not consensus democracy on the whole that is better, kinder, and gentler. With the exception of inflation,[4] the second, i.e. the federal-unitary dimension, is not correlated significantly with either of Lijphart's measures of democratic, macro-economic, or socio-cultural performance. According to his analysis, it is, in fact, not consensus democracy on the whole that improves, e.g., democratic quality but consensual traits on the first dimension, i.e. power sharing. When analyzing the performance of consensus democracies, Lijphart, thus, neglects the multidimensionality of his own typology. The two-dimensionality of his typology suggests that there not only two (majoritarian and consensus) but four types of democracies: consensus-federalist (e.g. Switzerland), consensus-unitary (e.g. Sweden), majoritarian-federalist (e.g. United States), and majoritarian-unitary (e.g. United Kingdom) democracies (Bormann, 2010). Our analysis aims at taking into account the multidimensionality of Lijphart's typology. We do not, in other words, restrict our analysis to the effect of the different dimensions of consensus dimensions on democratic quality but analyze as well the effect of different combinations of values on the consensus dimensions on the quality of democracy. We are, thus, able to assess the democratic performance of different types of democracies, i.e. whether pure consensus democracy or a combination of consensus and majoritarian traits performs better.

In combining these two reasons, we can highlight a third one. Taking seriously the idea of the multidimensionality of the quality of democracy as well as of consociational democracies, we can indeed test how the different patterns of democracy are connected with the different functions of the quality of democracy. This contribution can be seen as a first approach to describe different relations.

Our analysis further responds to some of the harshest criticism against both Lijphart's typology and his sample. On the one hand, we employ an improved measure of the consensual and majoritarian features of democracies that is more up to date and, at the same time, incorporates direct democracy into the typology: the Consensus Democracy Indicators (Vatter & Bernauer, 2010). On the other hand, we concentrate our analysis on established democracies that belong to the OECD group.[5] Lijphart is criticized for his country selection for three reasons (Armingeon, 2002; Schmidt, 2010). First, he excludes all new democracies from Eastern Europe such as Poland or the Czech Republic. Second, he includes countries with very different degrees of modernity. Whether it makes sense to compare the United States to Papua New Guinea in such a small sample is, at the least, disputable. Third, the consensus democracies that Lijphart considers tend to be wealthier than majoritarian ones. The benevolent effects that Lijphart ascribes to consensus democracy could, therefore, be the consequences of both sample biases and modernity (though Lijphart tries to control for the latter, at least at some places). To avoid confusing most-similar with

[4] However, the association between consensus democracy on the second, i.e. the federal-unitary dimension, and low inflation rates is widely attributed to the central bank independence variable.

[5] Our sample consists of 26 countries: Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Hungary, Iceland, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Poland, Portugal, Slovenia, Spain, Sweden, Switzerland, United Kingdom, and the United States.

most-dissimilar case design, it appears sensible to choose the countries a little more carefully and concentrate on economically well-developed, established democracies.

Our contribution proceeds as follows. In the first part, we briefly review Lijphart's idea of consensus democracy and its recent enlargements. We then focus on the arguments linking consensus democracy with democratic quality. In the second part, we discuss the new dependent variable for which we want to test the thesis of a positive connection between consensus democracy and the quality of democracy: the Democracy Barometer. In the third, empirical section, we present different analyses reinvestigating Lijphart's thesis. We summarize our findings in the concluding section.

Lijphart Revisited

Lijphart's Typology of Democracy

Lijphart distinguishes two basic types of democracy: consensus and majoritarian democracy (Lijphart, 1984, 1999). They have to be understood as ideal types in the sense of Max Weber, i.e. as being diametrically opposed to each other with regard to power distribution. Power is concentrated, on the one hand, in a majoritarian democracy. The ideal majoritarian model features, among other elements, a bare majority cabinet, a two-party system, a disproportional system of elections, a unitary and centralized government, and unicameralism. In contrast, a pure consensus democracy stresses both power sharing and dividing featuring, inter alia, a broad coalition cabinet, a multi-party system, a proportional electoral system, a federal and decentralized government, and a strong bicameralism.

Lijphart (1999) not only proposes a typology of democracy but also tackles the question of the degree to which actual democracies correspond to these ideal types. The degree of consensus (and majoritarian) democracy is measured by ten constitutional features and electoral outcomes. Factor analysis on these ten indicators in 36 different democracies yields two dimensions. The horizontal one, i.e. the executive-parties (or power sharing) dimension, comprises the effective number of parliamentary parties, the frequency of single-party government, the average cabinet length, the degree of electoral disproportionality, and the interest group system. The second, vertical, i.e. federal-unitary (or power dividing) dimension, consists of the degree of federalism, bicameralism, strength of judicial review, constitutional rigidity, and degree of central bank independence.

From Two to Three Dimensions: The Consensus Democracy Indicators

The two-dimensional typology proposed by Lijphart (1999) has received a fair share of criticism, which, however, has barely shaken its foundations (Bogaards, 2000; Freitag & Vatter, 2008; Ganghof, 2005; Grofman, 2000; Kaiser, 1997; Schmidt, 2010; Shikano, 2006; Taagepera, 2003; Tsebelis, 2002). Rather, improved measurements, in part encouraged by Lijphart (2003, p. 20) himself, have further developed its validity (De Winter, 2005; Kaiser et al., 2002; Ganghof, 2005; Schnapp & Harfst, 2005; Keman, 2000; Flinders, 2005). The toughest criticism comes in both empirical and conceptual forms. Conceptually, Ganghof (2005) challenges Lijphart's (1999) typology because it allegedly fails to distinguish between institutions and behavior. Taa-

gepera (2003) questions the logical and empirical connections between some of the indicators, such as interest group corporatism and the first dimension, as well as central bank independence, and the second dimension. Jung (1996, 2001) challenges the exclusion of direct democracy. Empirically, Shikano (2006, p. 67-7) replicates the analysis of Lijphart (1999) using 2000 bootstrap samples and concludes that three instead of two dimensions should have been taken into account.

In two articles, Vatter (2009) and Vatter and Bernauer (2009) have presented improved measurements of the consensual and majoritarian features of democracies: the Consensus Democracy Indicators (Vatter & Bernauer, 2010). While the basic logic of the original typology in terms of its overarching poles of consensualism and majoritarianism is adopted, several changes are carried out. First, the time frame is more up-to-date, ranging from 1997 to 2006. Second, several measurements have been improved, including executive-legislative relations, cabinet type, and decentralization. It must be added, though, that the specific countries' values, nonetheless, do not change too much, on the whole. Third, direct democracy is incorporated into the typology. Direct democracy, arguably, is a form of power sharing in its own right (Jung, 2001; Vatter, 2000) with increasing relevance. This goes beyond recent research on direct democracy that fails to connect it to the concept of consensus and majoritarian democracy (Hug & Tsebelis, 2002; LeDuc, 2003; Qvortrup, 2002; Setälä, 2006) and is generally in line with findings by Grofman (2000, p. 53), who provides evidence of an independent third dimension of democracy, comprised of direct democracy alone.

The incorporation of direct democratic institutions in the assessment of the degree of consensus democracy aims at taking into account power relations between the governing elite and the population (Vatter, 2009). However, the inclusion of direct democracy is not unproblematic since the concept of direct democracy can neither be regarded as typically majoritarian nor typically consensual (Lijphart, 1984, p. 31, 1999, p. 230f). In other words, different forms of direct democracy are different with regard to their functions and effects, as they have both majoritarian and consensual characteristics. To successfully include direct democracy in the concept of consensus democracy, one has, thus, to link systematically the concept of direct democracy with Lijphart's original typology. Vatter and Bernauer (2010) do this by disaggregating referendums, classifying them in theoretical terms, and subsequently connecting them to Lijphart's two basic forms of democracy, the power sharing (consensus) and power concentrating (majoritarian) variants (Vatter, 2000, 2009). More specifically, two criteria are applied. First, Vatter and Bernauer (2010) ask who has the right to launch a referendum. Two basic forms of referendums ensue: the "controlled referendum," which the government or a parliamentary majority may launch,[6] and the "uncontrolled referendum," which non-governmental actors, a minority of voters, or a parliamentary minority may initiate.[7] This distinction allows for the establishment of an initial connection to Lijphart's (1999) two concepts of democracy; whereas a referendum that can only be initiated by a ruling majority corresponds to the typical features of majoritarian democracy, one that can be launched from the bottom-up by a minority of voters or parliamentarians can be conceived as typical of consensus

[6] E.g., the French or the British plebiscite.

[7] E.g., the optional referendum and the popular initiative in Switzerland.

democracy. Second, Vatter and Bernauer (2010) ask who has the ultimate decision-making authority, i.e. whether the consent of specific quorums is required for acceptance of a referendum proposal or whether a simple majority suffices. While the necessity for a supermajority displays consensual characteristics, the requirement of a simple majority belongs to the majoritarian type.

The aforementioned two criteria referring to both the initiation and decision phase of a referendum proposal enable the development of a "majoritarian-consensus" classification of different forms of direct democracy (Vatter, 2009).[8] The question remains, however, how to link direct democracy to Lijphart's two dimensions of democracy. Vatter and Bernauer's (2010) empirical findings lead to the conclusion that direct democracy – contrary to earlier research (Grofman, 2000) – does not form a completely independent third dimension of democracy. Rather, it is connected to one of the variables Lijphart (1999) includes in the executive-parties dimension: the type of cabinet government. This connection makes sense on theoretical grounds as well. It seems a rational answer in a fully developed direct democracy to widen the executive formula to encompass all parties that are likely to make efficient use of the (uncontrolled) referendum if not co-opted in the government (Neidhart, 1970; Vatter, 2009). Otherwise, it is very probable that an enduring blockade of the political process emerges as every sufficiently large non-government party constantly tries to exert influence on government policies via the referendum. Thus, the more consensual traits direct democracy has, the likelier a more inclusive style of government in terms of party composition becomes – resulting in oversized cabinets (Lijphart, 1999).

Accordingly, three dimensions of consensus democracy ensue if direct democracy is taken into account (see Table 1).[9] The horizontal one comes close but is not identical to Lijphart's executive-parties dimension. It comprises the effective number of parliamentary parties, the executive-legislative relationship, the degree of electoral disproportionality, and the interest group system. The vertical dimension comes close to Lijphart's federal-unitary dimension. It consists of the degree of federalism, fiscal decentralization, and bicameralism, as well as the strength of judicial review. Contrary to Lijphart (1999), central bank independence is not included. There are two reasons for this: first, it does not load even modestly on any of the three dimensions. Second, policy convergence, as in the example of the European Central Bank, substantially reduces variance in European Union countries. Constitutional rigidity is left out as well because it cannot be attached clearly to one dimension. The third dimension is the cabinet-direct democracy dimension. Vatter (2009) calls it the top-to-bottom power relation dimension. It embraces the type of cabinet government (minimal winning vs. oversized) and the strength of direct democracy and, thus, describes the relationship between the government and the population.

[8] The extent to which direct democratic instruments are actually used is also included in the measurement (Vatter & Bernauer, 2010).

[9] Following Vatter (2009), we conduct a principal component analysis with orthogonal Varimax-rotated factor loadings.

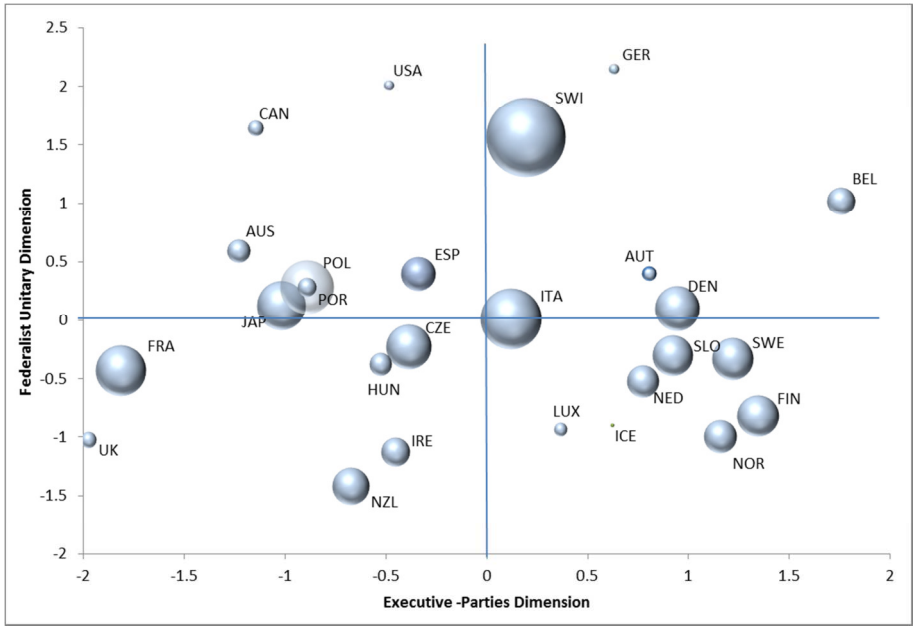
TABLE 1: THREE DIMENSIONS OF DEMOCRACY (PRINCIPAL COMPONENT ANALYSIS)

	Factor 1	Factor 2	Factor 3
Effective Number of Legislative Parties	**.72**	-.01	.38
Electoral Disproportionality	**-.83**	-.02	.10
Executive-Legislative Relationship	**.65**	.13	.48
Interest Group Corporatism	**.75**	-.29	-.05
Federalism	.06	**.90**	-.17
Decentralization	.17	**.78**	.15
Bicameralism	-.31	**.74**	.24
Judicial Review	-.14	**.53**	-.13
Oversized Cabinets	.11	-.23	**.84**
Direct Democracy	.01	.13	**.74**

Note: Principal Component Analysis with Varimax Rotation.

The exact location of the countries on the three mutually independent dimensions of democracy can best be depicted graphically on a conceptual map of democracy (Figure 1). The horizontal axis represents the executive-parties and the vertical axis the federal-unitary dimension, whereby negative values indicate majoritarian democracy and positive values consensus democracy (we use the factor values of the principal component analysis calculated with regression analysis). The size of the bubble represents the cabinet-direct democracy; the bigger the bubble is, the more consensual a country is on the third dimension of democracy (Jacoby, 1998). The values on the three dimensions generally vary between around -2 and 2. They represent average values for the period considered in the empirical analysis, 1997-2005 (N=26).[10]

FIGURE 1: THREE DIMENSIONS OF DEMOCRACY



Note: Factor scores of the three dimensions from Table 1; positive values = consensus democracy; negative values = majoritarian democracy; the size of the bubbles indicates the factor score of the third dimension (cabinet-direct democracy): the bigger the size, the more consensual a country in this third dimension.

[10] We use these data for the analysis that follows. The original data is collected annually for the slightly longer period of 1997-2006. In Lijphart's initial two-dimensional map and the three-dimensional conceptual map of Vatter (2009), the signs of the factors are reversed. However, to test Lijphart's thesis of the positive impact on consensus democracy, we decided to keep the direction of the dimensions as calculated by the factor analysis in Table 1.

Consensus Democracy and the Operation of Democracy

Lijphart (1999) does not limit his study to the measurement and classification of democracies. He proceeds to deal with the "so what?" question and, thus, asks whether the degree of consensus democracy affects the operation of democracy (Lijphart, 1999, p. 258ff). Lijphart's starting point is what he conceives as conventional wisdom, namely that there is a trade-off between the quality and the effectiveness of democratic government. The conventional wisdom posits, in other words, that consensus democracy may provide more accurate representation of minorities and broader participation in decision-making (Powell, 1982). Consensus democracy, however, is accused of ineffectiveness. "Representative government must not only represent, it must also govern" (Beer, 1998p. 25). According to conventional wisdom, the one-party majority governments typical of majoritarian democracies are more decisive and, thus, more effective policy-makers.

Lijphart (1999) empirically evaluates this conventional wisdom. With just a few exceptions, the underlying statistical models are bivariate regressions. The results of his analysis are twofold. On the one hand, consensus democracies seem to be at least no worse than their majoritarian counterparts with regard to effective policy-making. According to Lijphart, consensus democracies even outperform majoritarian ones when we look at inflation rates or social policy. On the other hand, and of special interest in our context, Lijphart concludes that consensus democracy clearly enhances democratic quality. He measures democratic quality using a wide variety of indicators, such as Dahl's (1971) Polyarchy and Vanhanen's (1997) democratization indices, women's representation in parliament and in cabinet, voter turnout, government-voter proximity, and citizens' satisfaction with democracy. According to Lijphart (1999, p. 276ff), all of these indicators of democratic quality are positively correlated with the degree of consensus democracy on the horizontal, i.e. the executive-parties dimension.[11] In sum, Lijphart's analysis leads to the conclusion that consensus democracies not only (and contrary to conventional wisdom) are no worse at effective governing but that consensus democracies are better, kinder, and gentler forms of ruling.

In our contribution, we aim at retesting Lijphart's democratic quality thesis by enlarging the data base both in terms of the measurement of consensus democracy as outlined above and in terms of the measurement of the quality of democracy. As set forth in the introduction, Lijphart's measures of democratic quality are criticized for not adequately incorporating the multidimensionality of the quality of democracy as well as being too minimalistic, rather weak, and not appropriate for this endeavor. Therefore, we need a new measure that is able to distinguish the fine-grained differences in the quality of democracy of the countries in our sample.

[11] However, the vertical, i.e. the federal-unitary, dimension of consensus democracy does not correlate significantly with any measure of democratic quality Lijphart employs.

THE QUALITY OF DEMOCRACY: THE DEMOCRACY BAROMETER

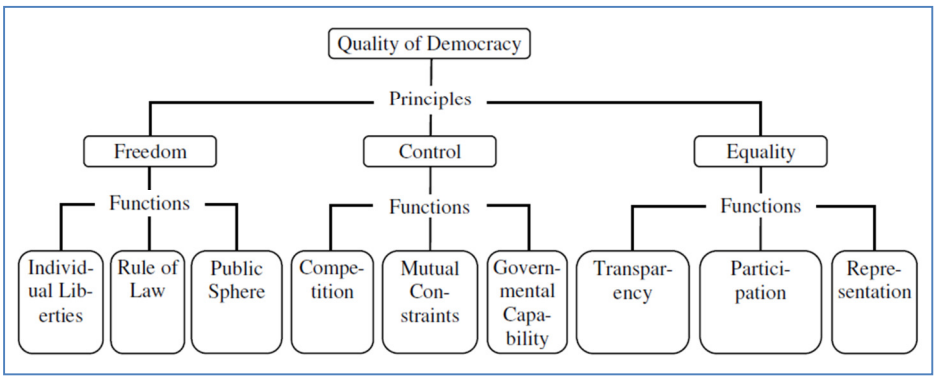
The DB is a recently introduced instrument aiming at measuring the quality of democracy (Bühlmann et al., 2011a, 2011b, 2011c). Its concept is based on liberal as well as participatory ideas of democracy and consists of a strict theoretical deduction of the fundamental elements of representative democracy in three steps.

First, it is argued that democracy ultimately rests on three fundamental principles: freedom, equality, and control. Freedom refers to the absence of heteronomy and, hence, requires the protection and guarantee of individual rights under a secure rule of law. Equality, particularly understood as political equality, aspires to equal treatment of the citizens in the political process and to equal access to political power. It is argued that freedom and equality interact and can constrain each other as well as that optimizing and balancing freedom and equality are the core challenges of any democratic system. To maintain a dynamic balance between freedom and equality, a further fundamental principle of democratic rule is needed: *control*. Of course, control is not a simple auxiliary for the balance of the two other principles but is, rather, an important basis of democracy itself; it is a means by which citizens maintain the accountability and responsiveness of their representatives.

To guarantee and functionally secure freedom, equality, and control, a democratic regime must fulfill several functions. In the second step, these functions are deduced from the three principles (see Figure 2).

Three functions, on the one hand, are deduced from the principle of freedom. The existence and guarantee of *individual liberties* is the most important prerequisite of democratic self- and co-determination. Individual liberties primarily secure the inviolableness of the private sphere. Individual liberties and political rights require protection in accordance with the *rule of law*. "Rule of law" refers to the independence, primacy, and absolute warrant of and by the law. This requires the same prevalence of rights, as well as formal and procedural justice for all individuals.

FIGURE 2: CONCEPT TREE OF THE DEMOCRACY BAROMETER



Source: Bühlmann et al., 2011c

The principle of freedom is completed by the function of the *public sphere*. Here, individual rights have an essential collective purpose: taking part with others in the expression of opinions and seeking to persuade and mobilize support are considered important components of freedom.

The principle of control, on the other hand, consists of three functions as well. In established representative democracies, vertical control of the government is established via free, regular, and *competitive* elections that must be vulnerable and contestable. The horizontal and institutional dimension of control of the government is encompassed by the *mutual constraints* of constitutional powers. The balance of powers depends on the relationship between the executive and the legislature but also on additional institutional checks such as constitutional jurisdiction or federalism. To ensure the chain of responsiveness, citizens' preferences must be collected, mobilized, articulated, and aggregated by means of elections and then translated into parliamentary seats. However, the chain has a further link, namely responsive implementation, which requires *governmental capability*.

Likewise, equality, as the third principle to be ensured, depends on three functions, of which the first is *transparency*. Opacity in terms of secrecy, corruption, or bribery is a severe danger for equality. Therefore, the political process must be grounded on a culture of openness. In a high-quality democracy, all persons affected by a political decision should have the right to *participate* in shaping this decision. This implies that all citizens in a state must exercise suffrage rights and that these rights are used in an equal manner. Equal respect for and consideration of all interests by the political representatives are possible only if participation is as widespread and as equal as possible. In representative democracies, the possibility of co-determination is ensured by means of *representation* agencies. Responsive democracies, thus, must ensure that all citizens' preferences are adequately, i.e. descriptively and substantively, represented in elected offices.

It is argued, in a nutshell, that the quality of a given democracy is high when these nine functions are fulfilled to a high degree. Because of the tension existing between freedom and equality, a simultaneous maximization of all nine functions is impossible. Democracies are seen as systems whose development is perpetually negotiated by political and societal forces. Hence, democracies can weigh and optimize the nine functions differently. However, the degree of fulfillment of each of these nine functions can be measured. This requires a third conceptual step: the various functions are based on constitutive components. In the stepwise deduction of the concept of democracy, the next step comprises the derivation of these components. Hence, each function is further disaggregated into two components, which, finally, lead to several subcomponents and indicators.

There is insufficient space to discuss each indicator in this contribution,[12] but it is worth noting that the DB consists of a total of 100 indicators, each of which was selected from a large collection of secondary data and had to meet several criteria: first, indicators based on expert surveys are avoided mainly because of the prevalent lack of transparency; second, for every subcomponent, indicators from different sources are used to reduce measurement errors; and third, to avoid institutional fallacies, each component consists of at least one subcomponent measuring rule of law and one subcomponent measuring rules actually in use.

[12] For an extensive description of the concept, the data, and the method, see Bühlmann et al. (2011a, 2011b, 2011c) and www.democracybarometer.org.

To aggregate the indicators into subcomponents, the indicators are scaled according to the best practice method, whereby, for each indicator, the lowest value is recorded as 0 and the highest as 100. The other values are assigned relative to these two references. This procedure reflects the idea that democracy should be viewed as a political system that continuously redefines and alters itself depending on ongoing political and societal deliberation.

The conceptualization of the DB in terms of its different levels of abstraction further requires the definition of aggregation rules. The first two levels of aggregation – from indicators to subcomponents and from subcomponents to components – are based on arithmetic means. In the following steps (components to functions, functions to principles, principles to "quality of democracy"), the idea of optimal balance is implemented: the value of the higher level has been calculated with a formula rewarding high values at the lower level but penalizing incongruence between pairs of values.[13]

The quality of democracy in 2005 in the 26 countries used in this contribution[14] varies between 45.9 (Poland) and 88.6 (Denmark). However, the countries also vary widely according to the values, i.e. the degree of fulfillment of the nine functions.

[13] To measure variation in the quality of democracy properly, the relationships between principles, functions, components, and sub-components must be translated into aggregation rules that fit the hierarchical concept of our theory. Our aggregation rule, therefore, is based on the following six basic assumptions: (1) Equilibrium is regarded as a positive feature. It indicates that, at a certain level, the elements of quality of democracy are in balance. Because the assumption of the underlying theory is that the best democracy is one in which all elements show a maximum performance and the worst is one in which all elements show a minimum of performance, this is justified. (2) Since we are dealing in the framework of the "blueprint countries" with democracies, we cannot apply a simple and strict rule of necessary conditions. Instead, a modification that allows for compensation of poor quality in one element by better quality in another element is introduced. (3) Compensation, however, cannot result in full compensation (substitutability). The larger the disequilibrium is, the lower the compensation will be. Thus, disequilibrium must be punished relative to equilibrium. (4) Punishment for equal degrees of disequilibrium should be equal, more for larger disequilibria, and less for smaller disequilibria. This implies a progressive discount when the disequilibrium is larger. (5) From this, it follows that punishment is disproportional and that the measure does not follow the rule of the mean but, rather, progression. (6) The increase in quality is progressive but yields diminishing marginal returns. We assume that, from a certain level on, an increase in quality in one or more elements boosts the quality of democracy, whereas, above a certain quality, increases in quality are smaller. Thus, the measure should be progressive and consider diminishing marginal utility in the increase of quality of democracy when a higher level is reached. To achieve progression, multiplication has been applied. To achieve diminished marginal returns, we apply an Arctan function: value of a function = (arctan (compnent1*component2) *1.2/4000)*80. When there are three elements, we use the mean of the pairwise values, i.e.: value of a principle = {[(arctan(component1*component2) *1.2/4000)*80] + [(arctan(componentc1*component3)*1.2/4000)*80] + [(arctan(component2 *component3)*1.2/4000)*80]} / 3. The formula is more complex when there are values below 0. A more detailed description of our aggregation can be found in the methodological handbook at www.democracybarometer.org.

[14] At the time of writing, the DB includes 30 blueprint countries (the 26 countries used in this contribution as well as Costa Rica, Cyprus, Malta, and South Africa).

BETTER INDEED?

In the following sections, we will combine the two data sets, i.e. we will reinvestigate empirically Lijphart's proposition that consensus democracy goes hand in hand with a higher quality of democracy. Our analysis proceeds stepwise. In the first step, we aim at replicating Lijphart's results. We will, thus, simply run regressions of the three consensus dimensions on overall democratic quality. In the second step, we aim at tapping the full potential the DB offers by analyzing the effect of the different consensus dimensions on the nine functions outlined above (i.e. the mean values between 1995 and 2005). By taking into account the multidimensionality of democratic quality, we are able to gain deeper insights into the interplay between consensual institutions and the quality of democracy. In the last step, we will incorporate the multidimensionality not only of democratic quality but also of Lijphart's typology. In particular, we will compare the democratic performance of different types of democracies, i.e. whether pure consensus democracies or mixed forms perform better.

We base our tests on the country sample as presented in the second section (N=26). We use the factor scores of the three dimensions to explain the quality of democracy in 2005. For the analysis of the impact of the three consensus dimensions on the overall quality of democracy, we are interested in a given instance of the quality of democracy within a particular year. However, to analyze and describe the different varieties of democracies (see Figures 3 and 4), i.e. the different functions, it makes more sense to base the analysis on the mean values of the different functions for the years 1995 to 2005 of the corresponding countries.[15]

However, connecting the consensus with the DB data poses the problem of tautology. The two data sets contain some variables that are completely identical or very similar to each other. When correlating the degree of consensus democracy with the index of democratic quality, the ensuing results could be the result of tautology. To tackle this problem, we use two versions of the DB, the original version, with all variables left untouched, and a modified version from which we remove all identical and similar variables from the DB and recalculate the components, functions, principles, and overall quality of democracy.[16]

[15] The main results do not change when we change the data, i.e. when we use the mean values of the quality of democracy or the values of the functions for 2005.

[16] In the modified version of the DB, we sort out 11 variables: 1 from the "Public Sphere" function: *union* (trade union density); 3 from the "Competition" function: *Herfindex* (Herfindahl index, the sum of the squared seat shares of all parties in the lower house of parliament), *Nuparty* (number of important parties [> 1% of votes] running for elections), and *Effparrat* (ratio of effective number of parties at the parliamentary level and the effective number of parties at the electoral level); 5 from the "Mutual Constraints" function: *federgeta* (federalism index as developed by Gerring and Thacker (2004)), *nonunitar* (degree of federalism and bicameralism), *subexp* (subnational expenditures as a percentage of the total national expenditures), *subrev* (subnational revenues as a percentage of the total national revenues), and *judrev* (the extent to which judges - either Supreme Court or constitutional court - have the power to review the constitutionality of laws); and 2 from the "Representation" function: *Gallagindex* (index of disproportionality between vote and seat distributions according to the Gallagher "Least Squares Index" for all parties in a general election), and *dirdem* (opportunities for direct influence on political decisions: Availability of mandatory and facultative referenda [accounted for coverage, terms of adoption, bondage, initiator, popular vote, hurdles]). For further details, see www.democracybarometer.org.

Step 1: Consensus Dimensions and the Overall Quality of Democracy

In the first step, we analyze whether the three dimensions of consensus democracy correlate with the quality of democracy. Thus, we model multivariate regressions for each dimension and the DB's overall democratic quality index for 2005 (Table 2).

We include several control variables that might affect the quality of democracy. They can be attributed to two different schools.[17] On the one hand, modernization theorists argue that a country's economic well-being positively affects its regime quality (Lipset, 1959; Przeworsky & Limongi, 1997). It is, therefore, expected that a country's wealth contributes to democratic quality and that an economic crisis lowers the quality of democracy (Li & Reuveny, 2003).[18] On the other hand, it is argued that the quality of democracy depends on human development (Inglehart & Welzel, 2005). Democratic quality is expected to increase when access to education is easy for all inhabitants and when the quality of life is high.[19]

Table 2 shows the results of the multivariate regression analysis of the effect of consensus democracy on overall democratic quality. They seem to support Lijphart's thesis. Horizontal power sharing, i.e. the executive-parties dimension, is positively and significantly correlated with the quality of democracy; it does not matter whether we run the regression for the original measure of democratic quality or the modified version. To get a picture of the effect's strength, it seems sensible to follow Lijphart (1999, p. 277) and compare a typical (but not extreme) majoritarian democracy to a typical (but not extreme) consensus democracy having a value of -1 and 1 on the executive-partiesy dimension, respectively. Accordingly, the difference between consensus and majoritarian democracy is about 15 points of the quality scores. Keeping in mind that the values of the indices of democratic quality[20] vary between approximately 45 and 90, the size of the effect on democratic quality is remarkable.

[17] Both theories certainly suffer from endogeneity; it remains unclear whether the quality of democracy depends on economic and human well-being or whether economic wealth and human development depend on democratic quality. However, we do not aim at investigating this relationship's direction but to use the two approaches as controls.

[18] The wealth of a country is measured by its gross domestic product (GDP) per capita in constant 2000 US $ (/1000). Economic crisis is measured by the rate of inflation. Both represent mean values over the period of 2002-2004.[18] The data comes from the World Bank (2010) and from the IMF (2010), respectively.

[19] The ease of access to education and the quality of life is measured with the respective indices in the Human Development Report (UNDP, 2010). Again, average values over the period of 2002-2004 are taken.

[20] There are slight changes depending on which version of the DB is considered.

TABLE 2: THREE CONSENSUS DIMENSIONS AND THE QUALITY OF DEMOCRACY (2005) – MULTIVARIATE REGRESSIONS

	Quality of Democracy (original version)	Quality of Democracy (modified version)	Quality of Democracy (original version)	Quality of Democracy (modified version)	Quality of Democracy (original version)	Quality of Democracy (modified version)
Constant	45.7***	44.3**	31.9**	33.4*	36.7**	37.8*
	(9.4)	(16.5)	(12.3)	(18.0)	(13.1)	(18.1)
Executive-**Parties Dimension**	8.0***	7.1**	-	-	-	-
	(1.8)	(3.1)				
Federal-Unitary Dimension	-	-	3.8	1.9	-	-
			(2.3)	(3.4)		
Cabinet-**Direct Democracy Dimension**	-	-	-	-	-1.3	-2.5
					(2.4)	(3.4)
Controls						
GDP pc	17.5*	22.6	33.4***	35.7*	29.3**	31.7*
	(9.2)	(16.1)	(11.6)	(17.1)	(12.5)	(17.3)
Inflation	7.6	13.5	20.1	22.7	13.3	16.6
	(10.2)	(17.8)	(13.6)	(20.1)	(14.5)	(20.1)
Education	18.2***	22.1*	24.5***	27.0**	22.5**	25.5*
	(6.0)	(10.4)	(7.9)	(11.6)	(8.3)	(11.5)
Quality of **Life**	-0.0	-17.0	-4.1	-20.0	-2.3	-18.6
	(10.7)	(18.7)	(14.2)	(20.9)	(15.0)	(20.7)
Corr. R2	.67***	.37**	.43***	.22*	.36**	.23*
N	26	26	26	26	26	26

*Note: Multivariate models; not standardized B-coefficients; standard errors in brackets; * significant at the 95% level; ** significant at the 95% level; *** significant at the 99% level. The control variables are rescaled on a scale of 0-1 where 0 indicates the lowest value and 1 the highest value of the variable. Coefficients, therefore, indicate the change associated with moving from the lowest to the highest value.*

Moreover and in line with Lijphart's (1999, p. 293) findings as well, vertical power division, i.e. the federal-unitary dimension does not covary significantly with democratic quality. An interesting additional finding is that the overall quality of democracy seems not to depend on the third consensus dimension, i.e. the cabinet-direct democracy dimension. Both results remain stable no matter which version of the DB is considered. It has yet to be noted that the latter finding may not be interpreted as a general warning against direct democracy. In the end, it just says that the size of government cabinets in combination with the degree of consensual direct democratic institutions does not have a significant influence on overall democratic quality. However, as weakly developed direct democratic institutions as well as the total absence of direct democracy are treated as majoritarian traits, this result delivers some evidence pointing toward the conclusion that the introduction of consensual direct democratic institutions neither enhances nor diminishes democratic quality on the whole.

At the same time, two of the four control variables covary with the quality of democracy, as expected. The higher GDP per capita and the easier access to education in a country are, the higher the quality of democracy is in this country. However, neither quality of life nor inflation shows the suggested impact. Thus, modernization and human development theory are only partly upheld. However, what is most important for our concern is the fact that the positive effect of the horizontal power sharing dimension on the quality of democracy that Lijphart postulates persists even when we control for other important factors.

Step 2: Accounting for Multidimensionality (1)

The analysis involving the overall index of the quality of democracy can give us only a first and vague insight into the connection between consensus democracy and the quality of democracy. The Democracy Barometer considers democratic quality, at its base not a one-dimensional but a multidimensional concept. In the second step, we run similar multivariate regressions as in Table 2 above (with the same controls), though not on the overall index but on the different functions of the DB. Table 3 summarizes the results of the 18 different models (again, we tested for the original as well as the modified version).

At first sight, Table 3 confirms our findings from the previous section: horizontal power sharing performs much better than the other two dimensions. Still, the table is worth a second look. Indeed, the executive-parties dimension seems to enhance individual liberties, the public sphere, competition, and representation. Put another way, the more horizontal power sharing there is in a country, the better this country tends to fulfill these four functions. However, horizontal power sharing negatively affects the function transparency. Thus, it seems that the sharing of power among political elites comes at the cost of a transparent political process. Sharing of power, in other words, appears – at least to some degree – to be based on secrecy. The negative effect on transparency makes intuitive sense since reaching a consensus might often require negotiations behind closed doors. This is a very nice example of the tradeoffs between the several functions of the DB. It is not possible to maximize all functions at the same time.

Table 3: Three Dimensions of consensus and the Functions of the Democracy Barometer (Summary of 18 Different Regressions)

	Executive-Parties Dimension		Federal-Unitary Dimension		Cabinet-Direct Democracy Dimension	
	o	*m*	*o*	*m*	*o*	*m*
Individual Liberties	+	+				
Rule of Law					-	-
Public Sphere	+	+				
Competition	+	+			+	+
Mutual Constraints			+			
Governmental Capability						
Transparency	-	-				
Participation						
Representation	+	+				

Note: + significant (at least at the 90% level) positive correlation in multivariate regression; - significant (at least at the 90% level) negative correlation multivariate regression; o = original version; m = modified version.

As for the vertical power dividing dimension, the findings are very weak. The federal-unitary dimension correlates significantly with just one function of the DB: mutual constraints. However, this finding holds only for the unmodified data. Since the DB counts federal institutions as an important factor of mutual constraints, the positive connection with this dimension is most probably due to tautology.

The third, i.e. the cabinet-direct democracy dimension, correlates significantly with two of the nine functions. While high values for this dimension positively affect competition, they are negatively associated with the rule of law. Both findings can

be nicely illustrated by the case of Switzerland, the prime example for (consensual) direct democratic institutions and oversized cabinets. First, the impartiality and independence of the judiciary is relatively underdeveloped in Switzerland. The dependency of the third power is at least partly volitional and mirrors the idea of the direct influence of the people in all political decisions. The direct say of the citizens is valued higher than an independent judiciary.[21] Second, the positive impact on competition can also be partly explained by direct democracy; on the one hand, direct democratic settings are opportunities for different interest groups and parties to organize (Bühlmann & Freitag, 2004). On the other hand, direct democracy allows for occasional opposition for the parties that are in the government. Thus, the openness of the system (contestability) and the vulnerability are very high in Switzerland.

In sum, running regressions not on overall democratic quality but on its different functions and, thus, taking into consideration the multidimensionality of the quality of democracy gives rise to two refinements of Lijphart's thesis. Whereas, on the one hand, the horizontal consensus dimension appears indeed to be positively associated with several aspects of democratic quality, there is no impact on the four functions, and there even seems to be a negative effect on transparency. More specifically, horizontal power sharing appears to strengthen individual liberties, an active public sphere, widespread competition, and equal representation, while the rule of law, mutual constraints, governmental capability, and the quality of participation are not influenced by this consensus dimension. Even worse, horizontal power sharing appears to bring about secrecy and low transparency. On the other hand, the third, i.e. the cabinet-direct democracy dimension, not originally considered by Lijphart – though not affecting overall democratic quality – also has an effect on two aspects of the quality of democracy. Namely, consensus democracy on the cabinet-direct democracy dimension seems to enhance competition and to undermine the rule of law. We agree fully, however, with Lijphart that the vertical power dividing dimension of consensus democracy has no direct relation to the quality of democracy.

Step 3: Accounting for Multidimensionality (2)

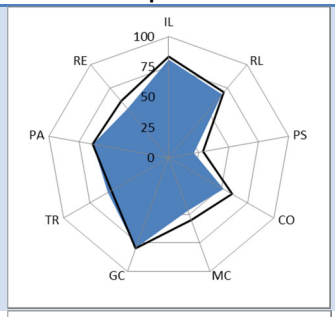
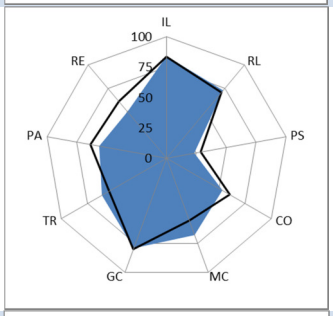
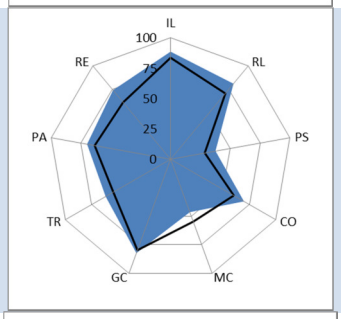
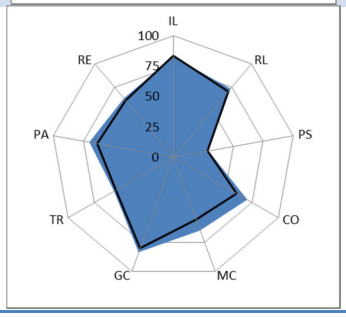
In the last step, we tackle the question – left untouched by Lijphart – of the democratic performance of different types of democracies. Thus, we incorporate the multidimensionality of Lijphart's typology as well of the quality of democracy. More specifically, we analyze by both graphic and statistical means the impact of different combinations of consensual and majoritarian traits on both the overall quality of democracy and the nine functions of the DB. We focus first on the two-dimensional pattern as suggested by Lijphart (1999) and then extend the analysis by including Vatter and Bernauer's (2010) third dimension of consensus democracy.

Given Lijphart's two dimensions, we can distinguish four types of democracy. On one hand, the ideal types of consensus (consensus-federalist) and majoritarian democracy (majoritarian-unitary) show only negative or positive values on the executive-parties and on the federal-unitary dimension, respectively. The remaining two types, on the other hand, are mixed systems that either accentuate the horizontal power

[21] Recent popular referenda in Switzerland show this idea quite nicely. Even though some legal experts argued that the ban on minarets, the deportation of criminal migrants, or the lifelong custody of sexual delinquents would be incompatible with international law, the election took place and the result (acceptance of the popular referendum each time) was adopted.

sharing dimension (consensus-unitary) or the vertical power dividing dimension (majoritarian-federalist) (cf. Lijphart, 1999; Schmidt, 2010, p. 319ff). Combining the countries within these four types by taking the average of the function means of each country and illustrating these averages types with spiderwebs, we get a description of the varieties of democracies according to their degree of consensus.[22]

FIGURE 3: TYPES OF CONSENSUS AND VARIETIES OF DEMOCRACIES (1)

Type	Spider	Countries	Overall Quality
Majoritarian-Unitary Type		HUN, IRE, UK, CZE, FRA, NZL	F: 49.2 C: 60.3 E: 59.6 DQ: 58.0
Majoritarian-Federalist Type		AUS, CAN, USA, JAP, POL, ESP	F: 52.2 C: 71.4 E: 57.3 DQ: 62.4
Consensus-Unitary Type		ICE, LUX, NED, POR, FIN, NOR, SWE, SLO	F:**69.5** C: 69.9 E: **74.9** DQ: **78.4**
Consensus-Federalist Type		AUT, BEL, GER, DEN, ITA, SWI	F: 57.5 C: **78.0** E: 67.0 DQ: 72.4

Note: IL: Individual Liberties; RL: Rule of Law; PS: Public Sphere; CO: Competition; MC: Mutual Constraints; GC: Governmental Capability; TR: Transparency; PA: Participation; RE: Representation; F: Freedom; C: Control; E: Equality; DQ: Overall Quality; all values are mean values of the countries within the types between 1995 and 2005; black line: mean of all 26 countries.

Figure 3 shows that there are indeed differences among the different types of democracies concerning the fulfillment of the nine functions. Considering at first only the overall size of the shapes, we can see that the biggest sizes are formed by the mean values of the countries belonging to the consensus-unitary and the consensus-

[22] For the graphical analyses, we used the original data of the Democracy Barometer.

federalist types followed by the majoritarian-federalist type of democracy. The smallest overall size can be found within the majoritarian type. This appears to be confirmation of Lijphart's democratic quality thesis, i.e. that consensual traits on the horizontal, executive-parties dimension improve the quality of democracy.

At second glance, however, we are able to further refine Lijphart's thesis. First, Figure 3 indicates that it is the countries of the consensus-unitary type of democracy that form the biggest overall shape of democracy. Accordingly, it is this type that also shows the highest average quality of democracy. Thus, it appears that a combination of consensus and majoritarian democracy, i.e. a combination of power sharing and unitarianism, brings about the best democracies. Pure consensus, i.e. the combination of power dividing and power sharing, seems to perform slightly worse, though still better than both pure majoritarian and majoritarian-federalist democracies.

TABLE 4: THREE DIMENSIONS OF CONSENSUS AND THE FUNCTIONS OF THE DEMOCRACY BAROMETER

	Quality of Democracy (original version)	Quality of Democracy (modified version)
Constant	53.2***	50.6***
	(4.6)	(10.0)
Executive-Parties Dimension	8.3***	8.0**
	(1.5)	(3.4)
Federal-Unitary Dimension	1.5	-1.1
	(1.48)	(3.24)
Executive-Parties X	-3.5**	-4.9
Federal-Unitary	(1.7)	(3.6)
GDP pc	10.65	2.9
	(6.5)	(14.3)
Education	16.2***	18.0
	(5.1)	(11.2)
Corr. R2	0.72***	0.42**
N	26	26

*Note: Multivariate models; not standardized B-coefficients; standard errors in brackets; * significant at the 95% level; ** significant at the 95% level; *** significant at the 99% level. The control variables are rescaled on a scale of 0-1 where 0 indicates the lowest value and 1 the highest value of the variable. Coefficients, therefore, indicate the change associated with moving from the lowest to the highest value.*

In purely technical terms, the superiority of the consensus-unitary over the pure consensus type suggests that the effect of the executive-parties dimension on democratic quality depends on the federal-unitary dimension. Hence, it is possible to complement this finding with multivariate interaction models in which we are able to control for other important factors (see Table 4).[23] We follow Brambor et al. (2006) and illustrate the marginal effect of the horizontal dimension on democratic quality as well as the confidence intervals graphically (see Figures 5 and 6). The figures show that consensual traits on the power sharing dimension indeed have a strong positive and significant effect on democratic quality in unitary states, irrespective of whether we consider the original version of the DB or the modified one. However, the size of the positive effect diminishes if we move into the direction of a federalist state and becomes statistically insignificant. This result remains constant if

[23] As of the relatively small N of 26, we do not include those controls that proved insignificant in step 1.

we leave out Italy, which is somewhat of an outlier case. As a result, our finding of the superiority of the consensus-unitary type over the consensus-federalist type with regard to the quality of democracy persists even when we control for additional factors, i.e. modernization and human development.

FIGURE 4: MARGINAL EFFECT OF THE EXECUTIVE-PARTIES DIMENSION ON THE QUALITY OF DEMOCRACY (ORIGINAL VERSION)

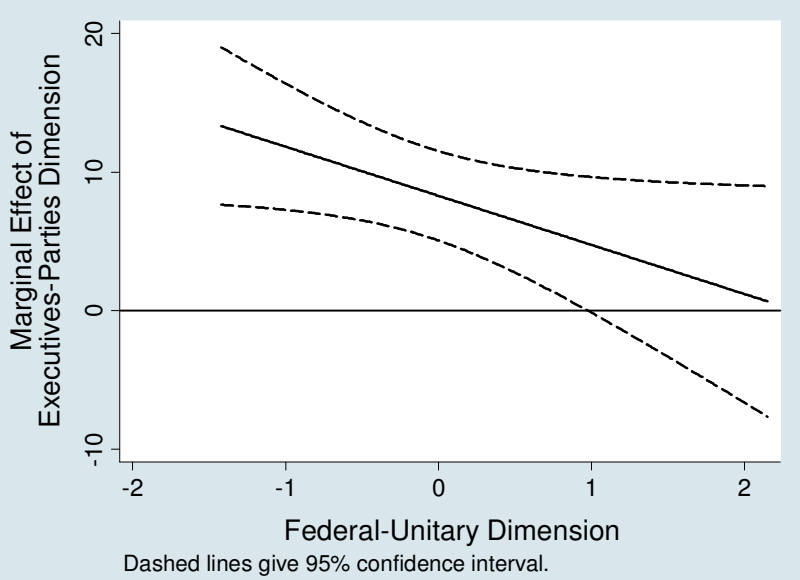
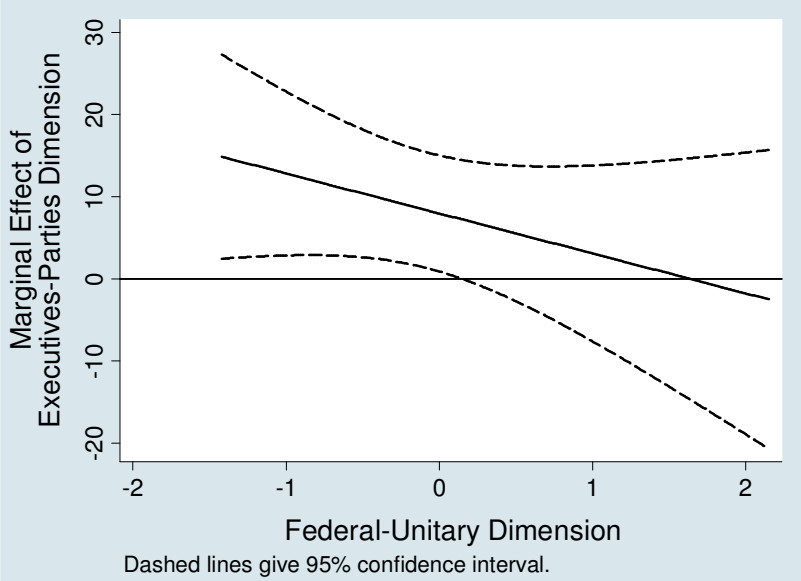


FIGURE 5: MARGINAL EFFECT OF THE EXECUTIVE-PARTIES DIMENSION ON THE QUALITY OF DEMOCRACY (MODIFIED VERSION)



Moreover, Lijphart's thesis can be still further refined when considering the different functions (see Figure 3). It should not come as a surprise that the best mean fulfillment of five of the nine functions can be found within the overall superior consensus-unitary type of democracy (individual liberties, rule of law, public sphere, trans-

parency, and representation). Again, this seems to confirm the suggestion that a combination of power sharing and unitarianism brings about the best democracies. However, three of the remaining four functions have the highest mean fulfillment within the consensus type of democracy. The countries within this type perform best, on average, in competition, governmental capability, and participation. This does not yet invalidate the finding of the overall superiority of the consensus-unitary type since the difference in performance regarding these three functions compared to those of pure consensus democracies is only marginal. Finally, the remaining function – mutual constraints – has the highest mean fulfillment in the country sample that belongs to the majoritarian-federalist type of democracy. Again, this is due primarily to the fact that the DB counts federal institutions as an important factor of mutual constraints. It is, nonetheless, worth noting that the mutual constraints function has the lowest average value within the countries of the consensus-unitary type. Hence, and as the values of the principles in Figure 3 confirm as well, this type of democracy performs very well concerning freedom and equality but does poorer regarding control.

Figure 3 further shows that the performance of the majoritarian-unitary democracies is quite weak. However, the countries within this type show the lowest degree of fulfillment only within four of the nine functions (individual liberties, rule of law, public sphere, and competition). They exhibit, in particular, slightly better performance than the majoritarian-federalist type countries with respect to governmental capability, participation, and representation.

In a nutshell, we are able to still further refine Lijphart's democratic quality thesis when incorporating the multidimensionality of both consensus democracy and the quality of democracy. While consensus on the horizontal dimension does, in fact and in line with Lijphart (1999), enhance the quality of democracy, it is the countries that primarily accentuate the horizontal dimension of consensus and not the vertical one, i.e. the consensus-unitary type, that perform best and not the pure consensus democracies, i.e. the countries that combine power sharing and power dividing.

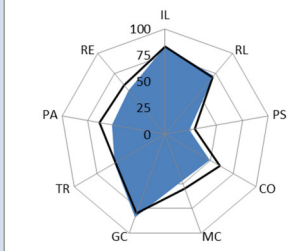
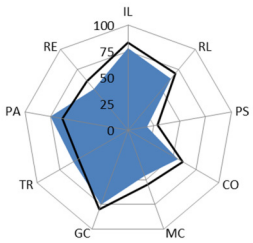
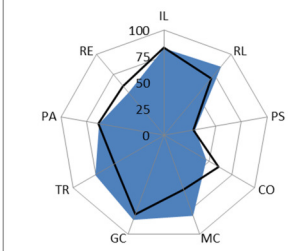
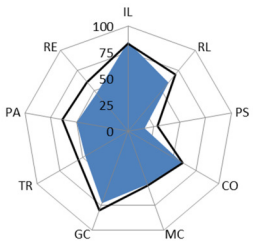
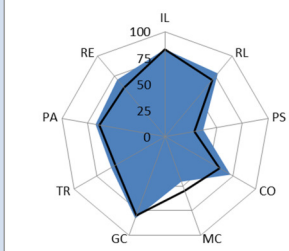
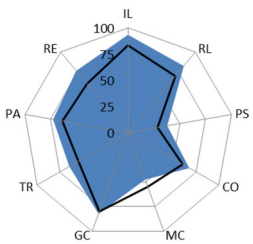
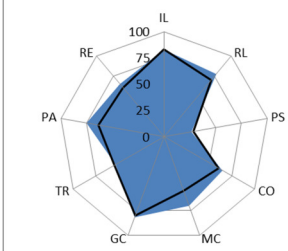
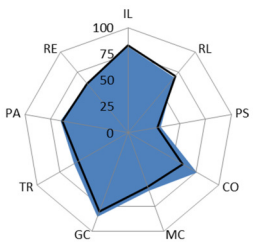
Similar but even more differentiated observations can be made when we include Vatter and Bernauer's (2009) third dimension. Now, we can distinguish not four but eight different types of democracies. Namely, the four Lijphart-types are further divided on the cabinet-direct democracy dimension. We now have majoritarian-unitary democracies with low values on the cabinet-direct democracy dimension, majoritarian-unitary democracies with high values on this dimension, and so on (see Figure 6).

All in all, the results of the two-dimensional typology remain: the countries within the consensus-unitary and the consensus-federalist types, on the one hand, form the biggest shapes, whereas the sizes of the shapes of the majoritarian and the power-dividing types are smaller. Thus, again, it is the horizontal dimension of consensus democracy that explains most of the differences regarding the quality of democracy. On the other hand, the consensus-unitary types perform slightly better than the pure consensus types; the suggestion that the combination of power sharing and unitarianism brings about the best democracies, hence, becomes ever more plausible.

However, when including the cabinet-direct democracy dimension, the picture becomes more detailed. As shown in Figure 6, this third dimension has no clear-cut im-

pact on the quality of democracy, i.e. – concerning the figures – on the shapes of democracy. For instance, a combination of high values on the third dimension for consensus-unitary democracy seems to increase the quality of democracy. On the other hand, high values for cabinet-direct democracy substantially diminish the size of the shape in majoritarian-federalist democracies.

FIGURE 6: TYPES OF CONSENSUS AND VARIETIES OF DEMOCRACIES (2)

Majoritarian top-to-bottom relation (low values on cabinet-direct democracy dimension)	Countries and quality	Consensual top-to-bottom relation (high values on cabinet-direct democracy dimension)	Countries and quality
Majoritarian-Unitary Type (1) 	HUN, IRE, UK F: 52.7 C: *60.1* E: 55.3 DQ: 58.3	Majoritarian-Unitary Type (2) 	CZE, FRA, NZL F: 45.6 C: 60.4 E: 63.9 DQ: 57.7
Majoritarian-Federalist Type (1) 	AUS, CAN, USA F: 60.7 C: 75.6 E: 68.5 DQ: 73.3	Majoritarian-Federalist Type (2) 	JAP, POL, ESP F: *43.7* C: 67.3 E: *46.1* DQ: *51.5*
Consensus-Unitary Type (1) 	ICE, LUX, NED, POR F: 67.0 C: 69.7 E: 71.3 DQ: 76.1	Consensus-Unitary Type (2) 	FIN, NOR, SWE, SLO F: **71.9** C: 70.1 E: **78.4** DQ: **80.6**
Consensus-Federalist Type (1) 	AUT, BEL, GER F: 56.2 C: **78.8** E: 69.3 DQ: 73.8	Consensus-Federalist Type (2) 	DEN, ITA, SWI F: 58.7 C: 77.3 E: 64.7 DQ: 71.0

Note: IL: Individual Liberties; RL: Rule of Law; PS: Public Sphere; CO: Competition; MC: Mutual Constraints; GC: Governmental Capability; TR: Transparency; PA: Participation; RE: Representation; F: Freedom; C: Control; E: Equality; DQ: Overall Quality; all values are mean values of the countries within the types between 1995 and 2005; black line: mean of all 26 countries.

Again, there are, of course, interesting differences with respect to the several functions. In looking only at the best and worst values of the degree of fulfillment of the nine functions, we get a quite different picture. Seven of the nine functions show the highest mean degree of fulfillment either in the countries belonging to the "consen-

sus-unitary type (2) with a consensual top-to-bottom relation between government and population and high direct democracy" or in the countries within the "majoritarian-federalist type (1) with a majoritarian top-to-bottom relation between government and population." While, in the former, individual liberties, the public sphere, and representation are fulfilled to a very high degree, the latter performs best with respect to the rule of law, mutual constraints, governmental capability, and transparency. Participation is best fulfilled within the countries belonging to the "majoritarian-unitary type (2) with consensual top-to-bottom relations," and competition has the highest mean value in the countries within the "consensus-federalist type (2) with consensual top-to-bottom relations."

The results concerning the worst degree of fulfillment shed further light on the connection between consensus democracy and democratic quality. Six of the nine functions show the lowest degree of fulfillment within the countries belonging to the "majoritarian-federalist type (2) with a consensual top-to-bottom relation between the government and the population." In the three countries of this type, the mean values of the functions rule of law, public sphere, governmental capability, transparency, participation, and representation are the lowest of the eight types. The worst values for the remaining three functions can be found within the "majoritarian-unitary type (2) with a consensual top-to-bottom relation (individual liberties)," the "majoritarian-federalist type (1) with majoritarian top-to-bottom relations (competition)," and the "consensus-unitary type (1) also with rather majoritarian top-to-bottom relations between the government and the population (mutual constraints)."

The inclusion of the third dimension does not disrupt our findings from the two-dimensional typology: consensus democracy on the horizontal dimension enhances democratic quality while the combination of power sharing and unitarianism, i.e. the consensus-unitary type, performs best overall. However, the effect of consensual traits on the cabinet-direct democracy dimension seems to depend on the type of democracy. Democratic quality in the consensus-unitary type, for example, appears to profit from oversized cabinets and (consensual) direct democracy, whereas it seems to suffer remarkably from high values on the third dimension in majoritarian-federalist democracies.

CONCLUSION

In his seminal work *Patterns of Democracy*, Lijphart demonstrates that consensus democracies are better democracies, i.e. that consensus democracy on the power sharing dimension brings about a higher quality of democracy. Lijphart's analysis, however, suffers from a rather unsystematic and arbitrary choice of measures of democratic quality and from an implicit treatment of consensus democracy as a one-dimensional concept. Our contribution aims at correcting for both. On the one hand, we make use of the recently introduced Democracy Barometer (DB), a measure of democratic quality that adequately incorporates its multidimensional conception and is, at the same time, able to distinguish the fine-grained differences regarding the quality of democracy in established democracies. On the other hand, we analyzed the association of not only the different consensus dimensions with democratic quality but also of the different types of democracies that Lijphart's two-

dimensional typology suggests. In doing this, we employed an improved, more up-to-date measure of consensus democracy that incorporates direct democracy along with cabinet size as a third consensus dimension (Vatter & Bernauer, 2010).

Our empirical analysis proceeded stepwise. In the first step, we aimed at replicating Lijphart's (1999) results and conducted regression analyses of the single consensus dimensions on overall democratic quality. The results of this very simple analysis suggest that Lijphart was right; the horizontal, i.e. the power sharing dimension, does indeed appear to be associated with higher democratic quality, whereas the vertical, i.e. the power dividing dimension, does not. The fact that the third dimension of consensus democracy not originally contemplated by Lijphart, i.e. the cabinet-direct democracy dimension, seems to have no significant effect on democratic quality constitutes an interesting additional finding. Though this may certainly not be understood as a general warning against direct democracy, it nonetheless indicates that the introduction of consensual direct democratic institutions does not improve democratic quality on the whole.

In the second step, we aspired to exploit the DB's multidimensional conception of democratic quality and, hence, to get deeper insights into the interplay between consensual institutions and different aspects of the quality of democracy. Regression analyses on the different functions of the DB yielded two striking findings. First, though the power sharing dimension seems to be positively correlated with a fair share of the nine functions of the DB, there is no impact on the three functions. Even worse, power sharing appears to bring about secrecy. Consensual traits on the horizontal dimension seem to come at the cost of transparency, arguably since reaching a consensus often requires negotiations behind closed doors. This constitutes a nice example of the incongruence of some aspects of democratic quality. It is impossible to maximize all functions of the DB at the same time. Second, the cabinet-direct democracy dimension – while not affecting the overall quality of democracy – has an effect on two functions of democratic quality. High values on this dimension enhance competition but undermine the rule of law. Both appear as a consequence of strongly developed direct democratic institutions: while the direct say of the people is rated higher in a fully developed direct democracy than an independent judiciary, direct democracy provides more opportunities for political actors to organize and mobilize in comparison to other institutional settings.

In the third, final step, we aimed at incorporating the multidimensionality of Lijphart's typology and assessed the performance of the different types of democracies. More specifically, we analyzed by both graphic and statistical means the effects of different combinations of values on the three consensus dimensions on both overall democratic quality and the nine functions. We find that the consensus-unitary type, i.e. a combination of horizontal power sharing and unitarianism, performs best overall, particularly if accompanied by consensual traits on the cabinet-direct democracy dimension. Most importantly, it is not the pure consensus democracy, i.e. countries having consensual traits on every dimension, that perform best – though they do certainly fairly well. Pure majoritarian democracies generally perform as badly as the majoritarian-federalist type, i.e. those that have a combination of vertical power division and majoritarian traits on the horizontal dimension. There is yet one interesting exception: a relatively high quality of democracy appears to ensue if the consensus-federalist type is joined by majoritarian traits on the third

dimension.

All in all, the results of our empirical analysis suggest that Lijphart is right, but only in principle. Indeed, overall democratic quality seems to profit from power sharing. Lijphart's democratic quality thesis can yet be refined in two important ways. On the one hand, power sharing does not enhance every aspect of the quality of democracy, and transparency apparently even suffers. On the other hand, at least with regard to democratic quality, the combination of consensus and majoritarian traits appears to matter. In particular, power sharing in combination with unitarianism and consensual traits on the third dimension fares best and notably better than pure consensus democracies. The latter finding, though, has to be treated with caution. Even if our suggestion that pure consensus performs slightly worse with respect to the quality of democracy is valid, it might, according to classic consociationalist theory, have other advantages, above all in ethnically and/or linguistically divided societies (Lijphart, 1969, 1996).

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